



MAY 17 1996

**TO:** Officials-in-Charge of Headquarters **Offices**  
**Directors, NASA Field Installations**  
**Director, Jet Propulsion Laboratory**

**FROM:** A/Administrator

**SUBJECT:** Acquisition **Reform: Single Process/Block** Changes

New cost-savings opportunities are emerging in acquisition reform by partnering with the Department of Defense (**DoD**). The Single Process/Block Change initiative **was** conceived by the Government Industry **Quality Liaison Panel**, cochaired by the NASA Office of Safety and Mission **Assurance**, and was endorsed by the Secretary of **Defense**. The thrust of the initiative is to enable contractors to propose single processes that would meet the needs of **multiple** Government **customers**. **This** would eliminate duplicative contractor systems and processes imposed by each customer's **requirements**. This initiative is expected to reduce contractor **costs**, improve process **efficiencies**, reduce product **costs**, and improve product **quality**. It is a win-win proposition for the Government and **contractors**. It could yield high dividends for both NASA and **DoD**.

The Defense Contract Management Command (**DCMC**) is facilitating this initiative at each contractor facility by working with contractor **and** Government representatives in **identifying** potential single **processes**. NASA will cooperate with **DCMC** for the development and acceptance of single processes wherever **possible**. Once the principals agree to the single **processes**, **DCMC** is authorized to issue a contract modification implementing the block change to **all** affected **contracts**. This concept has proven to be very effective at several **DoD reinvention** laboratory **sites**. Significant **operational** improvements and cost reductions can be achieved by this **initiative**, including savings to the Government on current **contracts**.

To facilitate the partnership with **DoD**, I am designating the **Office** of the Chief Engineer as the Agency lead for **this initiative**. Enclosed are Implementation Guidelines to be used during the implementation **process**. I strongly encourage you to share my enthusiastic support of this **initiative**. If you have any contracts **questions**, call Kenneth **A. Sateriale** at 202-358-0491. Quality-systems-related questions should be addressed to Carl Schneider at 202-358-0913.

A handwritten signature in black ink, appearing to read "Daniel S. Goldin".

Daniel S. Goldin

Enclosure

Officials in Charge of Headquarters Offices:

AI/Gen. Dailey  
AT/Mr. Mott  
AE/Dr. Mulville  
AO/Mr. West  
AS/Dr. Cordova  
B/Mr. Holz  
C/Mr. Christensen  
E/Mr. Reese (Acting)  
F/Gen. Armstrong  
G/Mr. Frankle  
H/Ms. Lee  
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Director, Jet Propulsion Laboratory:

Dr. Stone



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## **SINGLE PROCESS/BLOCK CHANGE IMPLEMENTATION GUIDELINES**

1. NASA's goal will be the elimination of unique processes/systems that are imposed on contractors shared with DoD or other Federal **agencies**, unless they are essential to ensure mission safety and **reliability**.
2. Each NASA Center Director will designate a focal point for implementing this **initiative**. The focal point is responsible for ensuring that all proposed block changes to Center acquisitions are considered and evaluated **consistently**. All contractor systems and processes are candidates for this initiative if efficiencies can be **gained**.
3. For each **project/program**, the cognizant NASA Contracting Officer (CO), with the Program **Manager**, will review each proposed block change for **approval**. No higher level of approval is necessary, unless the affected process is required by a NASA Management Instruction or the NASA FAR Supplement. CO **approval**, and any delegations deemed **necessary**, will be conveyed to the DCMC for their implementation within a contract **block change**. Any **nonapproval** must be reviewed by the Center **Director**.
4. Process improvements and **resulting** cost savings will be defined and **quantified**. NASA will receive consideration or share savings where savings are significant on NASA **contracts**.
5. Where numerous contract changes result from this **initiative**, they will be negotiated in a **block change format**.
6. Status reports **will** be provided by the Centers to the Office of **Procurement**, Analysis **Division**, on a quarterly **basis**. The report will describe the processes/systems changes made and cost savings **anticipated**.